

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 159 – SB 136

March 26, 2011

SUMMARY OF BILL: Defines “political activity,” and prohibits government employees from arranging payroll deductions for payments to political action committees or membership organizations engaging in political activity. Requires an organization requesting any governmental entity to arrange for dues payment by payroll deduction to certify to the entity that no dues will be used for political activity. Requires the membership organization to provide the governmental entity an annual breakdown of dues expenditures. Prohibits permanently any organization failing to provide or falsifying certifications or reports from arranging dues collection by any governmental entity. Requires the Comptroller of the Treasury to annually review a minimum of 10 percent of certifications filed with each governmental entity, and to report findings to the entity.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$210,600

Assumptions:

- According to the Office of the Comptroller, to determine if an organization’s certification is true and accurate, the Office will have to audit the certifications submitted to the state, each county, each city, and all individual governmental agencies, and report to each agency annually.
- According to the Office of the Comptroller, the Office will hire one additional County Auditor and two additional Municipal Auditors costing \$70,200 each per year to implement the audit requirements of this bill. The result will be a recurring increase in state expenditures of \$210,600 [(\$54,300 salary + \$15,900 benefits) x 3 auditors].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

/sbh